48 USC 1841 note.

## SEC. 4031. COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS PILOT PROGRAM.

(a) STUDY.—

- (1) IN GENERAL.—Prior to establishing the pilot program under subsection (b), the Secretary shall conduct a study to be completed not later than 2 years after the date of enactment of this Act to assess—
  - (A) the capabilities of the Commonwealth of the Northern Mariana Islands to operate the supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.) in a similar manner as the program is operated in the States (as defined in section 3 of that Act (7 U.S.C. 2012)); and
  - (B) alternative models of the supplemental nutrition assistance program operation and benefit delivery that best meet the nutrition assistance needs of the Commonwealth of the Northern Mariana Islands.
- (2) Scope.—The study conducted under paragraph (1)(A) shall assess the capability of the Commonwealth of the Northern Mariana Islands to fulfill the responsibilities of a State agency (as defined in section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012)), including—
  - (A) extending and limiting participation to eligible households, as required by sections 5 and 6 of that Act (7 U.S.C. 2014, 2015);
  - (B) issuing benefits through EBT cards, as required by section 7 of that Act (7 U.S.C. 2016);
  - (C) maintaining the integrity of the program, including operation of a quality control system, as required by section 16(c) of that Act (7 U.S.C. 2025(c));
  - (D) implementing work requirements, including operating an employment and training program, as required by section 6(d) of that Act (7 U.S.C. 2015(d)); and
  - (E) paying a share of administrative costs with non-Federal funds, as required by section 16(a) of that Act (7 U.S.C. 2016(a)).
- (b) ESTABLISHMENT.—If the Secretary determines that a pilot program is feasible, the Secretary shall establish a pilot program for the Commonwealth of the Northern Mariana Islands to operate the supplemental nutrition assistance program in the same manner in which the program is operated in the States.
- (c) SCOPE.—The Secretary shall use the information obtained from the study conducted under subsection (a) to establish the scope of the pilot program established under subsection (b).
- (d) REPORT.—Not later than June 30, 2019, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the pilot program carried out under this section, including an analysis of the feasibility of operating the supplemental nutrition assistance program in the Commonwealth of the Northern Mariana Islands in the same manner in which the program is operated in the States.

(e) Funding.—

(1) STUDY.—Of the funds made available under section 18(a)(1) of the Food and Nutrition Act of 2008 (7 U.S.C. 2027(a)(1)), the Secretary may use to conduct the study

described in subsection (a) not more than \$1,000,000 for each of fiscal years 2014 and 2015.

(2) PILOT PROGRAM.—

- (A) IN GENERAL.—Except as provided in subparagraph (B), of the funds made available under section 18(a)(1) of the Food and Nutrition Act of 2008 (7 U.S.C. 2027(a)(1)), the Secretary may use to establish and carry out the pilot program under subsection (b), including the Federal costs for providing technical assistance to the Commonwealth of the Northern Mariana Islands, authorizing and monitoring retail food stores, and assessing pilot operations, not more than—
  - (i) \$13,500,000 for fiscal year 2016; and

(ii) \$8,500,000 for each of fiscal years 2017 and

(B) EXCEPTION.—If the Secretary determines that a pilot program described in subsection (b) is not feasible, the Secretary shall provide to the Commonwealth of the Northern Mariana Islands any unspent funds described in subparagraph (A), which shall—

(i) be made available for obligation under the Commonwealth of the Northern Mariana Islands nutrition assistance program block grant in addition to any other funds made available for that grant; and

(ii) remain available until expended.

## SEC. 4032. ANNUAL STATE REPORT ON VERIFICATION OF SNAP 7 USC 2036c. PARTICIPATION.

(a) ANNUAL REPORT.—Not later than 1 year after the date specified by the Secretary during the 180-day period beginning on the date of enactment of this Act, and annually thereafter, each State agency that carries out the supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.) shall submit to the Secretary a report containing sufficient information for the Secretary to determine whether the State agency has, for the most recently concluded fiscal year preceding that annual date, verified that the State agency in that fiscal year—

(1) did not issue benefits to a deceased individual; and (2) did not issue benefits to an individual who had been

permanently disqualified from receiving benefits.

(b) PENALTY FOR NONCOMPLIANCE.—For any fiscal year for which a State agency fails to comply with subsection (a), the Secretary shall impose a penalty that includes a reduction of up to 50 percent of the amount that would be otherwise payable to the State agency under section 16(a) of the Food and Nutrition Act of 2008 (7 U.S.C. 2025(a)) with respect to that fiscal year.

(c) REPORT OF PILOT PROGRAM TO TEST PREVENTION OF DUPLICATE PARTICIPATION.—Not later than 90 days after the completion in multiple States of a temporary pilot program to test the detection and prevention of duplicate participation by beneficiaries of the supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.), the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report assessing the feasibility, effectiveness, and cost for the expansion of the pilot program nationwide.